If the Commission wishes to explore ways in which Link Up can be refined in a manner suggested by TracFone and Sprint (to bolster their competitive positions likely at the expense of low income consumers they serve and certainly at the expense of the low income consumers served through Link Up supported wireless Lifeline plans), the Commission should ask several questions of the industry and consumers. Among others, these questions should include:

- (1) What are the industry's costs to initiate or activate new customers, including administrative costs and costs to add customers to a carrier's systems?
- (2) What are carriers' costs of outreach and advertising, including with regard to the Link Up program itself?
- (3) Are costs different for wireline and wireless carriers?
- (4) Are some carriers' business models more reliant on Link Up, but also more beneficial to consumers over the life of the customer relationship? Would limiting Link Up to reimbursement of only physical installation costs be competitively and technology neutral?
- (5) What would be the costs of requiring carriers to access and check a new Lifeline/Link Up database to avoid double benefits?⁵²
- (6) Would the Commission need to require carriers to submit cost analyses or business plans?
- (7) What would be the administrative costs for the Commission or USAC to administer such a cost reimbursement program? Would administration of a more complex Link Up program based on cost reimbursement be administratively feasible?
- (8) What would be the impact on subscribership rates among low income consumers if Link Up were eliminated or the subsidy cap reduced?
- (9) What impact would the elimination of, or drastic changes to, Link Up have for state decisions and policies? For example, would state requirements that carriers provide a no-charge handset or waive the remaining \$30.00 activation fee have to be revisited?

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⁵² See 2011 Lifeline/Link Up NPRM, 26 FCC Rcd at 2833-8, ¶¶ 205-222.

(10) Based on considerable experience in the low income wireline market, it is inconceivable that the estimated 90 percent telephone service penetration rate takes into consideration the plethora of monthly disconnections that occur for non-payment. Easily 10 percent to 20 percent of this market, with fully wired demarcation terminals in the home, go without service each month due to their temporary inability to pay their monthly telephone bill. How many more low-income consumers reside in shelters, group homes, or halfway houses that would not be included in the 90 percent penetration estimate?

With respect to the question of coordination with state requirements, the Coalition has attached exhibits with a few poignant examples of state orders that have important implications with respect to the proposed changes to Link Up. As examples, we have included a Georgia Public Service Commission order requiring Telrite to waive the remaining \$30.00 activation fee and provide a no-charge handset to a Link Up recipient, as well as orders in Missouri and West Virginia requiring Telrite to similarly provide a no-charge handset.⁵³ If Link Up were to be eliminated or converted into a limited physical cost recovery mechanism, would such orders, as well as other state policies, all have to be revisited? If not, many Coalition members would likely be forced out of business. The margins for prepaid wireless service to low income consumers are not robust enough to withstand elimination or reduction of Link Up subsidies at the same time that states are requiring waiver of the remaining \$30.00 of the activation fee and no-charge handsets.

If Coalition members and many other small carriers are forced out of business because of the Commission's changes to Link Up, low income penetration rates and competition will suffer. The Coalition members and other carriers that rely on Link Up revenues serve customers in remote markets that often are not reached by national carriers like TracFone. And, as discussed above, many customers prefer the hands-on "in-the-community" approach that

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See Exhibit 6.

Coalition members take. In sum, the majority of low income consumers are either not reached by or are not satisfied with an outreach program that limits itself to advertising and a mail-in or online application form.

If community-based service providers go out of business, many of their hundreds of thousands of customers will not transition to national carriers like TracFone and may be lost to the program, resulting in lower penetration rates among low income consumers. Those consumers that do transition to services like TracFone will have far less power in the market because TracFone and other national carriers will have less competition to keep prices and practices in check. Without local, community-based competitors supported by Link Up, the market for prepaid Lifeline supported wireless services will be a virtual duopoly. In a duopoly, if the two dominant providers do not seek out certain customers or do not participate in outreach and collaboration initiatives, there will be no one else to serve that role or to ensure that communications service is expanded to as many low income consumers as possible.⁵⁴ All of these considerations would have to be carefully weighed by the Commission before making any of the proposed drastic changes to the critical Link Up program.

See Declaration of Dennis Henderson – Ready Wireless, included as Exhibit 7.

IV. CONCLUSION

For the foregoing reasons, the Coalition opposes the elimination or limitation of the Link Up program. Such action would result in, at the very least, increased charges for low income consumers. The proposed changes to Link Up also would put many Coalition members and other providers of telecommunications service to low income communities out of business, resulting in decreased competition and significantly reduced telephone service penetration rates among low income consumers. Accordingly, the Coalition urges the Commission to reject the proposed changes to the Link Up program.

Respectfully Submitted:

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Counsel for the Link Up for America Coalition

Dur Heitmann

EXHIBIT 1

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)
Lifeline and Link Up Reform and Modernization	WC Docket No. 11-42
Federal-State Joint Board on Universal Service	CC Docket No. 96-45
Lifeline and Link Up	WC Docket No. 03-109
	,

DECLARATION OF FRANK DEL COL

- My name is Frank Del Col and I am the President of Tag Mobile, LLC ("Tag Mobile").
 My business address is 1330 Capital Parkway, Carrollton, TX 75006. My job responsibilities include managing all matters that affect Tag Mobile before federal and state regulatory agencies and legislative bodies.
- 2. Tag Mobile is a wireless service provider and competitive eligible telecommunications carrier ("ETC") that provides service to low income consumers with the assistance of the Commission's Lifeline and Link Up programs. The purpose of this declaration is to support the Link Up for America Coalition's comments, filed in the above-captioned dockets, in response to the Commission's Public Notice regarding Further Inquiry Into Four Issues in the Universal Service Lifeline/Link Up Reform and Modernization Proceeding, including proposals to eliminate or severely limit Link Up.

3.

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CONFIDENTIAL INFORMATION

CONFIDENTIAL INFORMATION

4. Tag Mobile recovers revenues related to these costs and others in part through the Link Up subsidy. Without the Link Up subsidy, Tag Mobile would have to replace this revenue from charges imposed on its customers.

I assert under penalty of perjury that the foregoing is true and correct to the best of my information and belief. This concludes my declaration.

Tag Mobile, LLC

By: _____

Frank Del Col President

Executed on August 26, 2011

EXHIBIT 2

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of

Lifeline and Link Up Reform and

Modernization

Federal-State Joint Board on Universal Service

Lifeline and Link Up

WC Docket No. 11-42

CC Docket No. 96-45

WC Docket No. 96-45

DECLARATION OF BRIAN LISLE

- My name is Brian Lisle and I am the President of Telrite Corporation ("Telrite"). My business address is 1480 Terrell Mill Road, Suite 1, Marietta, GA 30067. My job responsibilities include managing all matters that affect Telrite before federal and state regulatory agencies and legislative bodies.
- 2. Telrite is a wircless service provider and competitive eligible telecommunications carrier ("ETC") that provides service to low income consumers through its brand Life Wireless with the assistance of the Commission's Lifeline and Link Up programs. The purpose of this declaration is to support the Link Up for America Coalition's comments, filed in the above-captioned dockets, in response to the Commission's Public Notice regarding Further Inquiry Into Four Issues in the Universal Service Lifeline/Link Up Reform and Modernization Proceeding, including proposals to climinate or severely limit Link Up.
- 3. Life Wireless engages in various outreach events to sign up Lifeline and Link Up customers in their community. In connection with signing up qualified low income customers for Lifeline and Link Up service plans, Life Wireless will often give away free phones at such community-based local outreach events catering to low income consumers. These events are much more successful at reaching consumers that truly need this

Telrite Corporation August 25, 2011

subsidized communications service than broad-based advertising or box-store application distribution supported by web sites. The qualified customers can actually receive and get real-time face-to-face instruction on how to use their new phone at the event rather than having to try to apply online or wait for a phone through the mail.

- 4. Based on my experience and research, TracFone does not have the same kind of local presence. TracFone does not generally have employees in the communities to distribute wireless phones and sign up customers. Rather, it has service applications available at retailers that can be mailed in by potential customers. Its marketing plan is built primarily around broad advertising and service activation by mail or online rather than local outreach with company employees.
- Life Wireless also supports its local communities in times of emergency or natural
 disaster. After the recent tornadoes in Joplin, Missouri, Life Wireless sent an SMS text
 message to its customers in the area announcing a free upgrade to its unlimited talk and
 text plan for those customers.
- 6. Local, community based outreach is part of our business plan and it is made possible in part by the Link Up subsidy, which is a revenue stream used in part to offset the costs of reaching out to low income consumers; educating them about the Lifeline and Link Up programs; getting qualified subscriptions; getting them into our operations support systems, compliance and account platforms; and then helping our customers with how to use mobile handsets.

I assert under penalty of perjury that the foregoing is true and correct to the best of my information and belief. This concludes my declaration.

Telrite Corporation

By:

Brian Lisle President

Executed on August 25, 2011

EXHIBIT 3

Image Access, Inc. d/b/a NewPhone August 25, 2011

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of

Lifeline and Link Up Reform and
Modernization

Federal-State Joint Board on Universal Service

Lifeline and Link Up

WC Docket No. 11-42

CC Docket No. 96-45

WC Docket No. 96-45

DECLARATION OF JAMES DRY

- My name is James Dry and I am the President of Image Access, Inc. d/b/a NewPhone
 ("NewPhone"). My business address is 5555 Hilton Ave., Suite 415, Baton Rouge, LA
 70808. My job responsibilities include managing all matters that affect NewPhone before
 federal and state regulatory agencies and legislative bodies.
- 2. NewPhone is a wireless service provider and competitive eligible telecommunications carrier ("ETC") that provides service to low income consumers with the assistance of the Commission's Lifeline and Link Up programs. The purpose of this declaration is to support the Link Up for America Coalition's comments, filed in the above-captioned dockets, in response to the Commission's Public Notice regarding Further Inquiry Into Four Issues in the Universal Service Lifeline/Link Up Reform and Modernization Proceeding, including proposals to eliminate or severely limit Link Up.
- 3. NewPhone has begun to market its Lifeline and Link Up supported wireless service in less populated areas of Louisiana. NewPhone has targeted small town customers and been surprised by the reaction it has received. Many prospective customers have never heard of Lifeline. After some explanation, many people do not believe the program is real, or that it is legal. Usually, after some time discussing the program and services with the

Image Access, Inc. d/b/a NewPhone August 25, 2011

consumers, they accept that the program has been developed to help them. Often they will then sign up for the service.

4. Although NewPhone's strategy of marketing to such rural areas does promote telecommunications access to those low income consumers who need it most, there are costs involved. The total sales per event is much smaller than such events in more populated areas, for obvious reasons. Therefore, to sign up the same number of customers as we would in more populated areas, we have to travel to more towns and have more conversations with consumers. Without both the Lifeline and Link Up programs, it would not be economically feasible for NewPhone to spend the time and resources necessary to conduct the marketing and outreach efforts necessary to educate and sign up low income customers in rural areas of Louisiana.

I assert under penalty of perjury that the foregoing is true and correct to the best of my information and belief. This concludes my declaration.

Image Access, Inc. d/b/a NewPhone

By:

James Dry President

Executed on August 25, 2011

EXHIBIT 4

SAFELINK WIRELESS ™ Terms and Conditions of Service

Please read these SAFELINK WIRELESS Terms and Conditions of Service carefully. SAFELINK WIRELESS is a service of TracFone Wireless, Inc. ("TracFone Wireless"). These SAFELINK WIRELESS Terms and Conditions of Service are a legally binding agreement between you and TracFone Wireless. They contain important information about your legal rights and require that certain disputes be resolved through Arbitration instead of a court trial. TracFone Wireless reserves the right to change or modify any of these SAFELINK WIRELESS Terms and Conditions of Service at any time and at its sole discretion. Any changes or modifications to these SAFELINK WIRELESS Terms and Conditions of Service will be binding upon you once posted on the SAFELINK WIRELESS website at www.safelink.com. You should check the SAFELINK website regularly for updates to these terms.

By enrolling in the SAFELINK WIRELESS Program (the "SAFELINK WIRELESS Program" or "SAFELINK Program") and by using the SAFELINK WIRELESS service (the "SAFELINK WIRELESS Service" or "SAFELINK Service"), you ("You"), the participant, acknowledge and agree to the following terms and conditions:

1. SAFELINK WIRELESS PROGRAM DESCRIPTION.

SAFELINK WIRELESS Service is funded by the Universal Service Fund Lifeline program and administered by the Universal Service Administrative Company. In order to qualify for enrollment in the SAFELINK WIRELESS Program, a person must meet certain eligibility requirements set by each state where the SAFELINK Program is offered. These requirements are based on a person's participation in a state or federal support program(s) or by meeting certain income requirements based upon the Income Poverty Guidelines as defined by the US Government. Federal law limits the availability of the SAFELINK Program. The SAFELINK Program allows one (1) enrollment per "household" and only the "head of household" may apply. The SAFELINK Program permits only one Lifeline benefit per household, therefore, no person currently living in the household may receive Lifeline benefits from any other Lifeline program. Applicants for the SAFELINK Program must complete an application form, provide supporting documentation that they meet the eligibility requirements and certify, under penalty of perjury, that they:

- Are eligible for and currently receive benefits from the public assistance program(s) identified in the application form.
- · Are a "head of household."
- Do not currently receive lifeline support for a telephone line serving their residential address and no other resident in their household participates in the Lifeline program. If the applicant is already participating in another Lifeline program, then the applicant agrees to cancel their current household Lifeline support provider in order to enroll in the SAFELINK Program.
- · Are not claimed as a dependent on another person's federal or state income tax return.
- Will notify SAFELINK Wireless by calling 1-800-SAFELINK if and when they no longer qualify for any of the public assistance programs identified in their application form.
- Will notify SAFELINK Wireless of any change of address by calling 1-800-SAFELINK.
- Reviewed the information contained in their application and it is true and correct to the best of their knowledge and belief.

Applicants who qualify and are enrolled in the SAFELINK Program will receive a free cellular phone provided by TracFone Wireless together with a free allotment of airtime minutes each month for up to one year. TracFone Wireless will determine at its sole discretion whether or not an applicant meets the eligibility requirements to participate in the SAFELINK Program. Texas residents application is subject to state approval. The state will confirm your participation within 30 days, you will receive a letter in the mail from the Texas Public Utility Commission with more information. If you do not qualify, your Free Minutes may be suspended, however the phone and the minutes you previously received are yours to keep. You can still use the handset by purchasing TracFone airtime cards available at any of the following retailers: Wal-Mart, Walgreens, CVS, Family Dollar, Dollar General. For more information visit www.tracfone.com. The monthly airtime minutes provided by the SAFELINK Program will vary from state to state (in Washington state, the number of monthly airtime minutes is 68 under Plan Option 1) and will be based upon the Plan Option selected. Please call SAFELINK WIRELESS at 1-800-SAFELINK or visit our website at www.safelink.com for further information.

Applicants who do not meet the eligibility requirements will receive written notification, via US Mail, of the reason for their non-eligibility. Upon enrollment in the SAFELINK Program, You will be qualified to participate for up to one (1) year. To continue your enrollment in the SAFELINK Program after the initial year, You must verify annually that you are qualified for continued enrollment in the SAFELINK Program as required by your state Public Service Commission, Public Utility Commission or other agency administering the SAFELINK Program in Your state. TracFone Wireless will also conduct verification drives for each state according to its rules. If TracFone Wireless determines during its verification drive, or at any other time, that a customer fails to continue to qualify for the SAFELINK Program, such customer will immediately be deemed ineligible to participate in the SAFELINK Program, will be de-

enrolled from the SAFELINK Program and will no longer receive the free monthly minutes. SAFELINK Customers who are no longer eligible (for any reason) for enrollment in the SAFELINK Program must immediately notify SAFELINK Wireless that they no longer meet the eligibility requirements for enrollment. A SAFELINK customer's enrollment may also be cancelled upon the request of a state and/or federal authority.

TracFone Wireless and SAFELINK WIRELESS reserve the right to cancel the enrollment of any customer and/or permanently deactivate any customer's SAFELINK WIRELESS phone for fraud, misrepresentation or other misconduct as determined solely by TracFone Wireless. While participating in the SAFELINK Program, a customer shall not be permitted to sell, rent, give away or in any way allow another person to use the cellular phone or SAFELINK Service provided to him/her by SAFELINK WIRELESS. IT IS A VIOLATION OF FEDERAL AND STATE LAW TO SELL OR GIVE AWAY THE SAFELINK CELLULAR PHONE OR SAFELINK SERVICE PROVIDED TO YOU BY SAFELINK WIRELESS. Any violation of this prohibition will be reported to the appropriate legal authorities for prosecution. In addition, if TracFone determines, in its sole discretion, that a SAFELINK WIRELESS customer has violated these prohibitions, TracFone Wireless will the permanently de-enroll the customer from the SAFELINK Program, their phone will be permanently deactivated and the customer's personal information will be permanently flagged so that the customer may not re-enroll in the SAFELINK Program in the future. If you have any questions, concerns, comments or complaints regarding the SAFELINK Program or Service, offerings or products, please call SAFELINK WIRELESS Customer Care at 1-800-SAFELINK. You may also contact your state's Public Service Commission/Public Utility Commission.

2. ACTIVATION AND USE OF YOUR SAFELINK WIRELESS PHONE.

Upon enrollment in the SAFELINK Program, you will receive a pre-activated SAFELINK WIRELESS phone delivered to your home address noted in the application. You must accept the SAFELINK WIRELESS telephone number assigned to your SAFELINK WIRELESS phone at the time of activation and you will acquire no proprietary interest in any number assigned to you. The wireless telecommunications networks used to transmit calls for the SAFELINK WIRELESS Service are owned and operated by various licensed commercial mobile radio service providers ("Carriers"), not SAFELINK WIRELESS or TracFone Wireless. The number assigned to your SAFELINK WIRELESS phone at the time of activation will not be changed for any reason unless required by a Carrier or if the number is lost following the deactivation of your phone. You may not select a number to be assigned to your SAFELINK WIRELESS phone. Your SAFELINK WIRELESS phone can only be used through TracFone Wireless, and cannot be activated with any other wireless or cellular service. SAFELINK WIRELESS Services are provided at TracFone Wireless' discretion. Some functions and features referenced in the Manufacturer's manual provided with your SAFELINK WIRELESS phone may not be available on your SAFELINK WIRELESS handset. TracFone Wireless may modify or cancel any SAFELINK Service or take corrective action at any time without prior notice and for any reason, including but not limited to your violation of these terms and conditions of service. TracFone Wireless notifies Illinois residents that SafeLink Wireless® will not provide a telephone directory to any customer nor will any customer's telephone number be published in any telephone directory.

3. AIRTIME RATES, USAGE AND INCLUDED MONTHLY MINUTES.

While you are enrolled in the SAFELINK Program, you will receive a free monthly allotment of airtime minutes as provided for the SAFELINK Program approved in your state and the minute Plan that you select. SAFELINK WIRELESS airtime is issued in minute (or unit) increments. Units are deducted from the SAFELINK WIRELESS phone at a rate of one (1) unit per minute or partial minute of use. There is no additional charge for nationwide long distance. If you are on Plan 1, there is no additional charge for international long distance to countries designated at www.tracfone.com. SAFELINK offers three plans that are currently available to all new and existing SAFELINK customers. Each plan offers different benefits, features and carryover options. The 3 Plans that are currently available are:

	Free Monthly Minutes Included in Plan	Unused Minutes Carryover Each Month	Text Message Charge*	Free International Long Distance	Voicemai Caller ID Call Waiting
Plan 1	68 in all states (80 in MA)	Yes	3 Texts/1 Minute	Yes	Yes
Plan 2	125	Yes	1 Text/1 Minute	No	Yes
Plan 3	250	No**	1 Text/1 Minute	No	Yes

*These text messaging rates will apply even if a different text messaging rate is stated on an airtime card.

**With Plan 3, your phone will reset to 250 minutes each month when your monthly minutes are delivered. Unused minutes will not automatically carry over to the next month. You may carry over unused airtime minutes on this plan for up to 3 consecutive months if you purchase and add airtime from a TracFone Airtime Card on or before the 25th day of the month. By purchasing and adding a TracFone airtime card on or before the 25th of the month, your unused

airtime minutes (including your free monthly allotment and any additional TracFone Airtime cards) will carry over for 3 consecutive months from the date of your last TracFone Airtime Card redemption. If you purchase and redeem a TracFone Airtime Card on or after the 26th day of any month, your airtime balance will be reset and not be carried over to the next month. The minutes you purchased will be carried over together with your next three allotments of free monthly minutes. Adding more than one Airtime Card at the same time will NOT extend your airtime carry over for more than the 3 consecutive months. The 3 month carry over is effective from the date of redemption of the last airtime card redeemed to your phone.

New SAFELINK customers must choose a plan upon enrollment. Existing SAFELINK customers who wish to switch plans may do so at www.safelink.com or by calling 1-800-SAFELINK. If you switch plans before the 25th day of any given month, the change will be effective the following month. If you switch plans on or after the 25th day of the month, the change will be effective in the second month following your request to switch plans.

You may use your free monthly allotment of airtime minutes to place or receive calls, to send or read text messages or multi-media messages and to access the internet (with certain models of phones). In order to receive your monthly allotment of minutes, you will need to leave your SAFELINK WIRELESS phone powered "on" during the first few days of each month. If you DO NOT receive your monthly allotment of minutes because your phone was not "ON" at the beginning of the month or your phone does not automatically retrieve minutes when powered "ON." You may self-retrieve by following the instructions below. If for any reason these instructions do not work on your handset, please call us at 1-800-378-1684.

Airtime minutes will be deducted for all time during which your SAFELINK WIRELESS phone is connected to, or using, the wireless system of any Carrier. Use of a wireless system typically begins when you press the "send," "call" or other key to initiate or answer a call and does not end until you press the "end" key or the call is otherwise terminated. Airtime minutes are deducted for all incoming and outgoing calls, including incoming call waiting calls, simultaneous calls, calls to toll free numbers, 411, 611, Customer Care, and to access your voice mail. For simultaneous calls, such as incoming call waiting and 3-way calling (where available) airtime minutes will be deducted for each call. Airtime minutes are not deducted for calls to 911, and all handsets will be able to call 911 even if they have no airtime remaining. Customers in the State of Washington will not be charged for calls to Customer Care if they dial 611 directly from their handset. For outbound calls, you may be charged airtime for incomplete and/or busy-no answer calls. Airtime minutes will be deducted for use of other services such as text messaging and accessing the TracFone Wireless Mobile Web ("WAP"). No credit or refund is given for dropped calls. Customers in the State of Washington who have a problem with their SAFELINK Wireless service and are unable to resolve it by contacting Customer Care, may contact the Washington State Attorney General, Consumer Protection Division, by calling 1-800-551-4636.

4. SELF-RETRIEVAL AND ADDING AIRTIME

Self-Retrieve Your Monthly Minutes by following these instructions:

- Press the MENU key located in the center of the navigation keys or arrow keys. "Prepaid" will be displayed across your screen. Press SELECT.
- Using the arrow keys on your phone, go to "Redeem Airtime" or "Add Airtime." If your screen displays a message, scroll down and press OK until you see "Card #" or "Airtime Pin."
- To Self Retrieve your Monthly Minutes, enter 555 and press OK.

Add or Redeem an Airtime Card by following these instructions:

- Press the MENU key located in the center of the navigation keys or arrow keys. "Prepaid" will be displayed across your screen. Press SELECT.
- Using the arrow keys on your phone, go to "Redeem Airtime" or "Add Airtime." If your screen displays a message, scroll down and press OK until you see "Card #" or "Airtime Pin."

If you do NOT have a Promotional Code:

• Enter your 15 digit Airtime PIN number (located on the back of your airtime card or on your register receipt) and press OK.

If you have a Promotional Code, follow the instructions for your model of phone:

- For Motorola C139, C155 or Nokia 1112: Enter your 15 digit Airtime PIN plus your 5 digit promotional code and press OK.
- For Motorola W175 and all other models: Enter your 15 digit Airtime PIN and press OK. You should see the phrase "Have a promotional code?" displayed on your SAFELINK phone screen. Press the key below YES and follow the prompts.

Make sure to keep your SAFELINK phone ON until you receive your Minutes!

If your phone does not allow you to self-retrieve, your phone does not automatically retrieve your monthly airtime, if you are having difficulty receiving your monthly allotment of minutes or you are having difficulty loading an airtime card, please call Technical Customer Care at 1-800-378-1684.

5. TEXT MESSAGING.

You may use your free monthly allotment of minutes to send and/or open text messages. Text messages sent to you by SAFELINK WIRELESS are free of charge. The charge to send or open an incoming text message using your SAFELINK WIRELESS phone will vary depending upon your plan. Under Plan 1, you will be charged 0.3 minutes per text message for sending and 0.3 minutes per text message for opening a received text message. Under Plans 2 and 3, you will be charged 1 minute per text message for sending and 1 minute per text message for opening a received text message. If you have exhausted your free monthly allotment of minutes, you will need to purchase and redeem additional airtime minutes in order to continue to send text messages and open incoming text messages and to place and receive voice calls. If you do not want minutes deducted from your SAFELINK WIRELESS phone for text messaging, then do not send text messages or open incoming text messages. SAFELINK WIRELESS does not allow international text messages. Attempting to send international messages could result in service deactivation and de-enrollment from the SAFELINK Program. Please note that SAFELINK WIRELESS does not generally participate in Premium SMS services or campaigns. Premium SMS refers to text messages that are sent to a designated "short code" or buying or attempting to buy SMS services from anyone other than SAFELINK WIRELESS. Premium SMS campaigns include activities such as casting a vote, expressing your opinion, playing a game, subscribing to a service, or interactive television programs. You should not attempt to participate in Premium SMS campaigns unless it is a SAFELINK WIRELESS authorized campaign. Any text message you send to a "short code" will in all likelihood not go through. Any charges you may incur as a result of any attempts to participate in Premium SMS services or campaigns not authorized by SAFELINK WIRELESS are not refundable whether you incur charges as deductions from your SAFELINK WIRELESS phone or from your credit card. You may purchase from SAFELINK WIRELESS ring tones, graphics and certain information services. You may utilize multi-media services with certain SAFELINK WIRELESS models of phones. See SAFELINK WIRELESS Data Services below for more information.

6. INTERNATIONAL CALLING.

International calling is available only if you are enrolled in Plan 1. If you selected Plan Option 1, you may use your SAFELINK WIRELESS phone to make international calls to landlines and some cellular phones in some countries at no additional charge (see www.tracfone.com for available countries and details). The countries where international calling is available under Plan 1 are subject to change at any time without prior notice. In order to place an international call, you will need to dial 1-800-706-3839 (the International Long Distance ("ILD") access number) and follow the instructions. If you are calling from Alaska, Hawaii or the US Virgin Islands, the ILD Access number you should dial is 305-938-5673. Airtime deductions for international calls begin the moment the ILD access number is dialed and apply to dropped calls, misdialed numbers and busy destination numbers. When placing international calls, you may experience connection failures more frequently than calls made within the United States. SAFELINK WIRELESS will not credit airtime minutes deducted for unsuccessful calls. You will not be able to make or receive calls on your SAFELINK WIRELESS phone when you are located outside of the United States, Puerto Rico or the U.S. Virgin Islands (the "Coverage Area"). Any attempt to make or receive calls when you are located outside of the Coverage Area could result in service deactivation and de-enrollment from the SAFELINK Program. International calling is not available under Plan Option 2 or 3.

7. AIRTIME CARDS.

Your SAFELINK WIRELESS phone will only operate when you have airtime minutes available on the SAFELINK WIRELESS phone. If you run out of your free monthly allotment of airtime, you may purchase and add additional airtime to your phone. See the instructions above for adding airtime. SAFELINK WIRELESS customers may purchase and use any SAFELINK WIRELESS or TracFone Wireless airtime cards, including Double Minute Airtime cards, for their SAFELINK WIRELESS phone. PLEASE NOTE: Customers who are enrolled in any Double Minutes for Life program will receive double minutes ONLY on their purchased airtime. The free monthly minutes provided to customers enrolled in the SAFELINK Program and any Bonus or Promotional Minutes WILL NOT DOUBLE.

Each TracFone Wireless airtime card includes a set number of minutes and service days that begin to run from the date you add the airtime to your SAFELINK WIRELESS phone. SAFELINK WIRELESS customers who purchase and redeem 30, 60, 90 and 120 minute TracFone Wireless airtime cards at our regular price will receive an additional 20, 40, 35 and 30 Bonus minutes respectively (SAFELINK WIRELESS customers in the state of Washington will receive 140 Bonus minutes for a 60 minute card purchased at regular price and 180 Bonus minutes for a 120 minute card purchased at regular price). Bonus and promotional minutes will not double with any TracFone Wireless Double Minute airtime cards. TracFone reserves the right to modify, adjust and/or eliminate the extra Bonus minutes at any time in its discretion. SAFELINK customers in certain states may purchase airtime at the rate of 10¢ per unit. TracFone reserves the right to adjust its airtime rates at any time in its sole discretion.

For each TracFone Wireless airtime card or PIN purchased at our regular price and added to a SAFELINK phone, the SAFELINK customer will receive the following:

Minutes on Face of	Total			Other
TracFone Card	Minutes	Service	Cards	

(Purchased at Regular Price)	Provided	Days	Cost	
30	50	30 o 45	\$9.99	N/A
60	100*	90	\$19.99	N/A
90	125	90	\$24.99	N/A
120	150*	90	\$29.99	N/A
200	200	90	\$39.99	N/A
450	450	90	\$79.99	N/A
One Year Service Card	250 or 400	365	\$99.99	N/A
One Year plus Double Minute	800	365	\$119.99	Double minutes for the life of your phone on all airtime that you purchase. Not transferable to another handset even if your phone is damaged, lost or stolen. The minutes included with this card have already been doubled for your convenience. YOUR FREE MONTHLY MINUTES FROM SAFELINK WILL NOT DOUBLE. BONUS, PROMOTIONAL AND OTHER NON-PURCHASED MINUTES WILL NOT DOUBLE.
Double Minute Card	0	0	\$19.99	Double minutes for the life of your phone on all airtime that you purchase. Card is not transferable to another handset even if your phone is damaged, lost or stolen. YOUR FREE MONTHLY MINUTES FROM SAFELINK WILL NOT DOUBLE. BONUS, PROMOTIONAL AND OTHER NON-PURCHASED MINUTES WILL NOT DOUBLE

*Customers in the state of Washington may obtain additional airtime at an effective rate of \$.10 per minute by purchasing a 60-minute or 120-minute TracFone Wireless airtime card. The 60-minute card has a retail price of \$19.99 and provides 200 total minutes (including Bonus minutes). The 120-minute card has a retail price of \$29.99 and provides 300 total minutes (including Bonus minutes).

8. SERVICE END DATE, DEACTIVATION AND REACTIVATION.

As a SAFELINK WIRELESS customer, You will receive 425 service days upon Your enrollment and activation in the SAFELINK Program and another 365 service days following each successful annual verification for your continued program eligibility in the SAFELINK Program. If you fail to complete your annual verification within 120 days of the required verification date, you will be de-enrolled from the SAFELINK Program. Upon de-enrollment from the SAFELINK Program, you will cease receiving the free monthly allotment of airtime. If you are de-enrolled, your phone will remain active and you may continue to use your phone so long as you have available airtime minutes and service days remaining on your phone. You may purchase airtime and service days to keep your phone service active. If you are de-enrolled from the SAFELINK Program and You allow your remaining service days to expire or go "past due," Your phone service will be deactivated, you may lose your unused minutes and you will lose your wireless telephone number. If you choose to reactivate your phone by completing the annual verification within 60 days after your verification due date, you will be re-enrolled in the program and continue receiving the free monthly allotment of airtime.

If your service is deactivated, you may reactivate your service by either re-enrolling in the SAFELINK Program (if eligible) or purchasing and redeeming a TracFone Wireless airtime card with service days. Upon reactivation of your phone, you may be assigned a new telephone number. Any airtime remaining on your handset at the time of deactivation will be reinstated if your phone is reactivated within 60 days from the deactivation date. If your phone remains inactive for more than 60 days, you will lose any remaining airtime.

If you have been de-enrolled from the SAFELINK Program and are not eligible to re-enroll but you wish to keep your service active, You must purchase and redeem additional airtime and service days before the "Service End Date" displayed on your phone. To prevent any interruption in your phone service, please keep your handset service active by timely completing your annual verification as required by the SAFELINK Program or, if no longer eligible, by purchasing and adding TracFone airtime cards before your Service End Date.

"No Usage" De-Enrollment and Deactivation: Regardless of the Service End Date displayed on your handset, if you exceed 2 months without any Usage (as defined in this section), You will be de-enrolled from the SAFELINK Program. "Usage" is defined as any transaction including, but not limited to, making or receiving a call, sending or opening a text message, downloading data content, adding airtime or receiving Your free monthly airtime. Upon de-enrollment for non-Usage, You will have up to a 30 day grace period to reenroll in the SAFELINK Program by calling 1-800-SAFELINK. If you do not re-enroll, use your phone or call SAFELINK Customer Care within 30 days of your deenrollment, your phone service will be deactivated. In order to reactivate your SAFELINK phone and re-enroll in the SAFELINK Program, you will need to call SAFELINK Customer Care. Upon successful re-enrollment, you will receive the monthly minutes that you were entitled to receive through the date your enrollment was cancelled. You will not, however, receive any airtime for the period of time you were not enrolled in the SAFELINK Program. In addition, you will be assigned the service days displayed on your handset, which are the days you were granted when first enrolled in the program.

9. OUR RIGHT TO TERMINATE YOUR SAFELINK WIRELESS SERVICE.

You agree not to give away, resell or offer to resell the SAFELINK Phone or Service provided by the SAFELINK Program. You also agree your SAFELINK Phone will not be used for any other purpose that is not allowed by this agreement or that is illegal. WE CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR END YOUR SERVICE AND DE-ENROLL YOU FROM THE SAFELINK PROGRAM FOR VIOLATING THIS PROVISION OR FOR ANY OTHER GOOD CAUSE, including, but not limited to, if You: (a) violate any of the terms and conditions of service; (b) lie to us or attempt to defraud us; (c) allow anyone to tamper with your SAFELINK Phone; (d) threaten or commit violence against any of our employees or customer service representatives; (e) use vulgar and/or inappropriate language when interacting with our representatives; (f) steal from us; (g) harass our representatives; (h) interfere with our operations; (i) engage in abusive messaging, emailing or calling; (j) modify your device from its manufacturer's specification; or (k) use the service in a way that adversely affects our network or the service available to our other customers. We reserve the right to, without notice, limit, suspend or end your service for any other operational or governmental reason. In addition to permanently terminating your Service, criminal offenses (i.e., selling or giving away your Service; threatening violence, etc.) will be reported to the appropriate legal authorities for prosecution.

10. UNAUTHORIZED USAGE; TAMPERING.

The SAFELINK WIRELESS handset is provided exclusively for use by you, the end consumer with the SAFELINK WIRELESS Service available solely in the United States, Puerto Rico and the U.S. Virgin Islands. Any other use of your SAFELINK WIRELESS handset, including without limitation, any resale, unlocking and/or re-flashing of the handset is unauthorized and constitutes a violation of your agreement with TracFone Wireless. You agree not to unlock, reflash, tamper with or alter your SAFELINK WIRELESS phone or its software, enter unauthorized PIN's, engage in any other unauthorized or illegal use of your SAFELINK WIRELESS phone or the Service, or assist others in such acts, or to sell and/or export SAFELINK WIRELESS handsets outside of the United States. These acts violate TracFone Wireless' rights and state and federal laws. Improper, illegal or unauthorized use of your SAFELINK WIRELESS phone is a violation of this agreement and may result in immediate discontinuance of Services and legal action against you. TracFone Wireless will prosecute violators to the full extent of the law. You agree that any violation of this agreement through your improper, illegal or unauthorized use or sale of your SAFELINK WIRELESS phone shall entitle TracFone Wireless to recover liquidated damages from you in an amount of not less than \$5,000 per SAFELINK WIRELESS handset purchased, sold, acquired or used in violation of this agreement.

Some SAFELINK WIRELESS handsets have SIM cards. If your SAFELINK WIRELESS phone has a SIM card, then you agree to safeguard your SIM card and not to allow any unauthorized person to use your SIM card. You agree not to allow any other person to, directly or indirectly alter, bypass, copy, deactivate, remove, reverse-engineer or otherwise circumvent or reproduce the encoded information stored on, or the encryption mechanisms of, your SIM card. You may not remove your SIM Card from your phone nor place the SIM Card in any other phone. Doing so could result in the immediate termination of your service and de-enrollment from the SAFELINK Program. The Carriers, TracFone Wireless, or its service providers, may, from time to time, remotely update or change the encoded information on your SIM card. Your SAFELINK WIRELESS phone is restricted from operating when you are located anywhere outside of the United States, Puerto Rico or the U.S. Virgin Islands, including offshore or in international waters. Any such calls are considered unauthorized usage by TracFone Wireless for which your service will be immediately suspended. In the event of suspension for this or any other unauthorized usage, you will not be entitled to receive any refunds for unused airtime.

11. COVERAGE MAPS AND ROAMING.

You will find coverage maps on our website at www.tracfone.com. These maps are for general informational purposes only. Actual coverage and service areas may vary from the maps and may change without notice. TracFone Wireless does not guarantee coverage or service availability. Even within a coverage area, factors such as terrain, weather, structures, foliage, signal strength, traffic volumes, service outages, network changes, technical limitations, and your equipment may interfere with actual service, quality and availability. "Roaming" occurs when a subscriber of one wireless service provider uses the facilities of another wireless service provider. Roaming most often occurs when you

make and receive calls outside of the network coverage area of your service provider. When your SAFELINK WIRELESS phone is roaming, an indicator light on your handset may display the word "Roam" or "RM" on the screen while the phone is not in use. There are no additional charges for roaming calls for the SAFELINK WIRELESS phone you were provided. Availability, quality of coverage and Services while roaming are not guaranteed.

12. LIMITATIONS OF SERVICE AND USE OF EQUIPMENT.

Service is subject to transmission limitations caused by certain equipment and compatibility issues, atmospheric, topographical and other conditions. Further, service may be temporarily refused, limited, interrupted or curtailed due to system capacity limitations, technology migration or limitations imposed by the Carrier, or because of equipment modifications, upgrades, repairs or relocations or other similar activities necessary or proper for the operation or improvement of the Carrier's radio telephone system. At anytime, TracFone Wireless reserves the right to substitute and/or replace any SAFELINKE WIRELESS equipment (including handsets) with other SAFELINK WIRELESS equipment including handsets of comparable quality. Some functions and features referenced in the Manufacturer's manual for a particular SAFELINK WIRELESS handset may not be available on your phone. TracFone Wireless does not warrant or guarantee availability of network or of any Services at any specific time or geographic location or that the Services will be provided without interruption. Neither TracFone Wireless, nor any Carrier, shall have any liability for service failures, outages or limitations of Service. Because of the risk of being struck by lightning, you should not use your SAFELINK WIRELESS phone outside during a lightning storm. You should also unplug the SAFELINK WIRELESS phone power cord and charger to avoid electrical shock and/or fire during a lightning storm.

13. WARRANTY EXCHANGE AND LOST OR STOLEN PHONE POLICY.

Limited Warranty Exchange Policy: SAFELINK WIRELESS customers shall have up to one year from the activation date of their phone to return any defective phone to TracFone Wireless. TracFone Wireless will exchange a defective phone for a new or refurbished phone, at TracFone's discretion, during this period of time only pursuant to the terms of the Limited Warranty set forth below. For a defective phone replacement, call SAFELINK WIRELESS Technical Customer Care at 1-800-378-1684.

Lost or Stolen Phone Policy: For any lost or stolen SAFELINK WIRELESS phone, you may request and receive only one replacement phone per customer. The replacement phone will be a refurbished phone. All reported lost and stolen phones will be permanently deactivated. The replacement phone will include only 10 minutes of lost airtime. Any additional airtime that you may have had on your lost phone will not be replaced. In the event you lose your replacement phone or it is stolen, you will need to purchase an additional phone. If a phone is lost or stolen while in transit to the customer before the customer receives the phone, the lost phone and airtime may be replaced as a onetime courtesy in TracFone's sole discretion.

14. DISCLAIMER OF WARRANTIES.

EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THESE TERMS AND CONDITIONS, AND TO THE EXTENT PERMITTED BY LAW, THE SERVICES AND DEVICES ARE PROVIDED ON AN "AS IS" AND "WITH ALL FAULTS" BASIS AND WITHOUT WARRANTIES OF ANY KIND. WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE CONCERNING YOUR SERVICE OR YOUR DEVICE. WE CANNOT PROMISE UNINTERRUPTED OR ERROR-FREE SERVICE AND DO NOT AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON OUR BEHALF. WE DO NOT GUARANTEE THAT YOUR COMMUNICATIONS WILL BE PRIVATE OR SECURE; IT IS ILLEGAL FOR UNAUTHORIZED PEOPLE TO INTERCEPT YOUR COMMUNICATIONS, BUT SUCH INTERCEPTIONS CAN OCCUR.

15. HEARING, VISUAL OR SPEECH IMPAIRED ACCOMMODATIONS

Any hearing, visual or speech impaired persons interested in applying for a specially equipped SAFELINK WIRELESS must call SAFELINK WIRELESS at 1-800-378-1684 and specify the need(s) to an agent and TracFone Wireless will make every effort to assist such customer in obtaining a handset that is in compliance with all applicable laws, rules, and regulations.

16. EMERGENCY CALLS.

SAFELINK Wireless customers have access to 911. Occasionally, however, callers may attempt to call 911 in areas where there is no wireless coverage. If there is no wireless coverage, your call to 911 may not go though and You should dial 911 from the nearest landline phone.

17. DATA SERVICES.

With certain SAFELINK WIRELESS phone models, you can download ring tones, graphics, access information services such as news, weather and sports ("Information Services") and utilize multi-media messaging services ("MMS") (ringtones, graphics, Information Services and MMS are collectively referred to as "Data Services") through our Wireless Mobile Web ("WAP"). Data Services are additional Services offered by us at an additional charge in the form of a debit of minutes for Your use of such services.

Accessing and Purchasing Data Services. In order to purchase, download or access Data Services, your handset must

have active service and sufficient available airtime minutes. Your handset will not let you open the WAP browser without an airtime balance of at least 10 minutes. Each time you access our Wireless WAP with your handset's browser, 0.5 units per minute will be deducted from your handset ("Access Charges"). Access Charges are deducted in full minute increments. WAP access of less than 60 seconds is rounded up to the next full minute. Access Charges begin when your handset makes a data connection. This should occur shortly after you open your browser, send or receive a multi-media message (e.g., a picture), initiate a content download, view subscribed Information Services or if WAP access is initiated for any other purpose. Access Charges end when the data connection terminates. This should occur shortly after you close your browser, successfully receive or send a multi-media message (e.g., a picture), after a successful content download or after any other closure of a WAP session. The WAP access duration and the related Access Charges are NOT determined from the exact moment you press a button on your handset to open or close the browser.

In addition to the Access Charges, there will be an additional one-time charge for any content you select to download ("Content Charge"). The Content Charges vary depending on the type of content. You will be advised of the Content Charges prior to finalizing your purchase. The Data Services you purchase and download may only be used or viewed on the handset for which they were purchased and cannot be transferred to any other device, including a new or replacement handset. Data Services are non-refundable and non-transferable.

Purchase Options for Data Services: You may purchase Data Services either through your handset's WAP browser or through the Internet (accessed with a personal computer) at www.tracfone.com

When you purchase Data Services from the Internet at www.tracfone.com, the Content Charge will be shown in both U.S. Dollars and in minutes. You will have the opportunity to select one of two payment options: (1) using a credit card to pay the purchase price shown, or (2) a direct deduction of minutes from your SAFELINK WIRELESS handset. If you buy a TracFone card the number of minutes to be charged is based on the last airtime card added to your handset. See Purchasing Data Services With Airtime Minutes below.

How to purchase from the Internet (www.tracfone.com): Go to "Downloads and More" at www.tracfone.com and enter your SAFELINK WIRELESS serial number (ESN /IMEI) and SAFELINK Wireless Number. This will take you to the Wireless Data Services content catalog where you can browse, sample and purchase ringtones and/or graphics. After you find a title and select "Buy," you will be presented with the two purchase options described above.

How to purchase through your handset's WAP browser: Select "BROWSER" on your handset then select "Start Browser" and you will be presented with a menu. When you use your handset's WAP browser to purchase Data Services, only the unit charge purchase option is available. You may not purchase Data Services through your handset using a Credit card. Note: Ringtones can only be sampled at www.tracfone.com

Purchasing Data Services With Airtime Minutes: If you add TracFone airtime cards, the charges for Data Services purchases are determined by the last airtime card added to your handset. The chart below details the number of minutes you will be charged for each dollar you spend for the Data Services you purchase. Your phone will be assigned the appropriate dollar-to-minute conversion factor each time an airtime card is added to your handset. The charges for Data Services in U.S. Dollars and/or minutes and the dollar-to-minute conversion factor(s) are subject to change without prior notice.

Dollar-To-Minute	Conversion Factors for Data Services
If the last airtime card you added to your handset was:	You will have this number of minutes deducted for every \$1 you spend on Data Services:
TRACFONE Airtime Cards	
30, 40 or 60 minute cards	3.00
90 minute card	3.60
100 or 120 minute cards	4.00
200, 250 or 400 minute cards	5.00
450 minute card	5.62
200, 250 or 400 minute cards with Double Minutes	3.00
Annual Plan and	Double Minute Prepaid Plan Cards
150 unit Annual Plan card	1.66
250 unit Annual Plan card	2.50
400 minute Annual Plan Card	4.00
800 minute Annual Plan Card	5.71
300 minute Double Minute Annual Prepaid Plan Card	2.30
400 minute Double Minute Annual Prepaid Plan Card	3.07

Regular Airtime Cards Added to TRACFO 30, 40 or 60 minute cards	6.00
90 minute card	7.20
100 or 120 minute cards	8.00
200, 250 or 400 minute cards	10.00
450 minute card	11.24
Other (not listed above)	6.00

Charges for MMS (e.g., picture messaging). You will be charged 1.0 unit to send or receive a multi-media message (the "MMS Charge"). In addition to the 1.0 unit MMS Charge, there will also be an additional WAP Access Charge of 0.5 units per minute for the time it takes to send or receive the multi-media message. The total WAP Access Charge will vary depending on the size of the multi-media message being sent or received. Partial minutes will be rounded up.

Additional Access Charges for Data Services. In addition to the Content Charges and MMS Charges, and regardless of the payment option you use, there is always an additional Access Charge of 0.5 units per minute associated with downloading content, accessing/viewing Information Services or utilizing MMS. Total Access Charges will vary depending on the size of the content and the actual time it takes to download the content, access/view the Information Service or utilize MMS.

Modifications, Interruptions, or Discontinuation of Data Service. SAFELINK WIRELESS does not guarantee the availability of Data Services on all of its phone models nor does it guarantee the availability of Data Services at all times. SAFELINK WIRELESS reserves the right to modify, suspend, interrupt, discontinue or permanently cancel Data Services, or portions thereof, without notice. Data Services are not available in certain areas. SAFELINK WIRELESS is not responsible and will not be liable for any modifications, interruptions or discontinuation of the Data Services or for any failure in receipt of the purchased Data Services. If the Data Services, or any part thereof, for which you subscribe, are modified, interrupted, discontinued or canceled, you will not receive a refund or credit from SAFELINK WIRELESS for any remaining used or unused subscription time. If you cancel or attempt to cancel a Data Service download, a subscription purchase or a multi-media message in progress, or if this process is otherwise interrupted through no action on your part, you may nevertheless be charged in accordance with the terms and conditions set forth herein.

Non-Rated Content. SAFELINK WIRELESS and TracFone Wireless strive to present and offer only generally acceptable content. However, it is impossible to proof all content, titles and news articles for appropriate content. Our wireless content is NOT rated and you are solely responsible for the use of such material, which may be offensive or objectionable to you or to others. You agree not to hold SAFELINK WIRELESS or TracFone Wireless liable for any offensive or objectionable content.

18. LIMITATION OF LIABILITY

SAFELINK WIRELESS and TracFone Wireless are not liable to you for any direct or indirect, special, incidental, consequential, exemplary or punitive damages of any kind, including lost profits (regardless of whether it has been notified such loss may occur) by reason of any act or omission in its provision of equipment and/or Services. SAFELINK WIRELESS and TracFone Wireless will not be liable for any act or omission of any other company furnishing a part of our Services or any equipment or for any damages that result from any service or equipment provided by or manufactured by third parties. When your SAFELINK WIRELESS phone is returned to SAFELINK WIRELESS for any reason, TracFone Wireless is not responsible and shall not be liable to you or anyone else for any personal information such as user names, passwords, contacts, pictures, SMS, MMS and/or additional downloads you may have stored on your phone or which may remain on your phone.

19. INDEMINIFICATION. You agree to indemnify and hold harmless SAFELINK WIRELESS and TracFone Wireless from any and all liabilities, penalties, claims, causes of action, and demands brought by third parties (including the costs, expenses, and attorneys' fees on account thereof) resulting from your use of a SAFELINK WIRELESS phone and/or use of the SAFELINK WIRELESS Services, whether based in contract or tort (including strict liability) and regardless of the form of action.

20. SAFELINK REFER A FRIEND PROGRAM TERMS AND CONDITIONS OF SERVICE

The following Terms and Conditions apply to the SafeLink Refer a Friend Program. In the event of a conflict between the SafeLink Terms and Conditions of Service and these Terms and Conditions of Service, the SafeLink Refer a Friend Program Terms and Conditions shall control. These terms and conditions may be updated at any time. The most current terms and conditions are available at www.safelink.com. All changes to the terms and conditions are binding once posted to the SafeLink website. SafeLink reserves the right to terminate the Refer a Friend Program at any time and for any reason without notice.

Program Description: Active and enrolled SafeLink customers ("Referrer") may earn 100 bonus minutes for each friend ("Friend") they refer to SafeLink who is approved and enrolled in the SafeLink program. The approved and

enrolled Friend will receive 30 bonus minutes.

Program Terms and Conditions:

- 1- The existing SafeLink customer referring his/her friend ("Referrer") must be an active and enrolled SafeLink customer at the time the referral is made.
- 2- TracFone, Net10 and Straight Talk customers are not eligible to participate in the SafeLink Refer a Friend program.
- 3- Current and previously enrolled SafeLink customers are not eligible to receive bonus minutes upon re-enrollment. The Referrer is not eligible to receive bonus minutes for referring a Friend that is currently or was previously, at any time, enrolled in the SafeLink program.
- 4- Once enrolled, all SafeLink customers are entitled to participate in the Refer a Friend program and eligible to receive 100 bonus minutes for each new Friend who is approved and enrolled in the SafeLink program.
- 5- In order for the Referrer to receive his/her bonus minutes, the Friend (or person applying for the SafeLink program) must include the Referrer's correct and complete SafeLink phone number in legible/readable format on his/her SafeLink application.
- 6- If the Friend is approved and enrolled in the SafeLink program, the Referrer will receive 100 bonus minutes and the Friend will receive 30 bonus minutes as part of the next monthly minute delivery in the SafeLink program.
- 7- If the Friend is approved after the 25th of the month, any bonus minutes earned will be applied the following month due to processing time.
- 8- If the Referrer is de-enrolled from the SafeLink program after the Friend is approved and enrolled, the Friend will still receive the 30 bonus minutes.
- 9- Bonus minutes will follow the carryover rules per plan: 68 and 125 minute plans bonus minutes will carryover; 250 plan bonus minutes will not carryover and will be swept along with monthly minutes.
- 10- Bonus minutes are promotional in nature and have no monetary value.
- 11- Bonus minutes cannot be transferred or sold.
- 12- Existing SafeLink customers may refer as many Friends to the SafeLink program as they wish and they (the Referrer) will be eligible to receive Bonus minutes for each new (never previously enrolled) SafeLink customer who is approved and enrolled in the SafeLink program.
- 13- Any SafeLink customer or applicant who TracFone determines, in its sole discretion, has provided an untrue statement or engaged in any fraud in connection with the SafeLink Refer a Friend Program or in applying for SafeLink, will not receive Bonus minutes and is subject to immediate deactivation and de-enrollment from the SafeLink program.
- 14- TracFone employees, family members of employees or agents working on behalf of TracFone are not eligible for The Refer a Friend program.
- 15- Due to privacy rights of SafeLink customers and applicants, SafeLink is unable to provide approval status of any new applicants or the enrollment status of existing SafeLink customers.
- 21. BINDING ARBITRATION. PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS RIGHTS THAT YOU MAY OTHERWISE HAVE. IT PROVIDES FOR RESOLUTION OF ALL DISPUTES AND CLAIMS (INCLUDING ONES THAT ALREADY ARE THE SUBJECT OF LITIGATION), EXCEPT FOR CLAIMS CONCERNING THE UNAUTHORIZED RESALE, EXPORT, ALTERATION, AND/OR TAMPERING OF YOUR SAFELINK WIRELESS PHONE, ITS SOFTWARE, THE SERVICE AND/OR PIN NUMBERS, THROUGH ARBITRATION INSTEAD OF SUING IN COURT IN THE EVENT THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE OR CLAIM. ARBITRATION IS BINDING AND SUBJECT TO ONLY A VERY LIMITED REVIEW BY A COURT. THIS ARBITRATION CLAUSE SHALL SURVIVE TERMINATION OF TRACFONE WIRELESS™ AGREEMENT WITH YOU. This provision is intended to encompass all disputes or claims arising out of your relationship with TracFone Wireless, arising out of or relating to the SAFELINK Service or any equipment used in connection with the SAFELINK Service (whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory). Nothing contained in this arbitration provision shall preclude TracFone Wireless from bringing claims concerning the unauthorized resale, export, alteration, and/or tampering of your SAFELINK WIRELESS phone, its software, the SAFELINK Service and/or PIN numbers, in state or federal court. References to you and TracFone Wireless include our respective subsidiaries, affiliates, predecessors in interest, successors, and assigns. All claims, except those excluded above, will be resolved by binding arbitration where permitted by law. You must first present any claim or dispute to TracFone Wireless by contacting Customer Care to allow an opportunity to resolve the dispute prior to initiating arbitration. The arbitration of any dispute or claim shall be conducted in accordance with the American Arbitration Association ("AAA") under the Commercial Dispute Resolution Procedures and the Supplementary Procedures for Consumer Related Disputes (collectively, "AAA Rules"), as modified by this agreement. The AAA Rules are available online at www.tracfone.com or by calling the AAA at 1-800-778-7870. You and TracFone Wireless agree that use of the SAFELINK Service evidences a transaction in interstate commerce and this arbitration provision will be interpreted and enforced in accordance with the Federal Arbitration Act and federal arbitration law. All issues are for the arbitrator to decide, including the scope of this arbitration clause, but the arbitrator is bound by the terms of this agreement. You and TracFone Wireless agree that any arbitration will be conducted on an individual basis and not on a consolidated, class wide or representative basis. Further, you agree that the arbitrator may not consolidate proceedings or more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding, and if this preclusion of consolidated,

class wide or representative proceedings is found to be unenforceable, then this entire arbitration clause shall be null and void. All fees and expenses of arbitration will be divided between you and TracFone Wireless in accordance with the WIA Rules, except that TracFone Wireless will reimburse you for the amount of the filing fee in the event you prevail in the arbitration. Each party will bear the expenses of its own counsel, experts, witnesses, and preparation and presentation of evidence. If for any reason this arbitration provision is deemed inapplicable or invalid, or to the extent this arbitration provision allows for litigation of disputes in court, you waive to the fullest extent permitted by law, (i) the right to a trial by jury and (ii) any claims for punitive or exemplary damages. Unless TracFone Wireless and you agree otherwise, the location of any arbitration shall be Miami, Florida. Except where prohibited by law, TracFone Wireless and you agree that no arbitrator has the authority to award punitive damages or any other damages not measured by the prevailing party's actual damages. Neither you nor TracFone Wireless shall disclose the existence, contents, or results of any arbitration, except to the extent required by law. Judgment on the award rendered may be entered by any court of competent jurisdiction.

This Agreement shall be construed under the laws of Florida, without regard to its choice of law rules, except for the arbitration provision contained in these Terms and Conditions, which will be governed by the Federal Arbitration Act. This governing law provision applies no matter where You reside, or where You use or pay for the Services.

22. PRIVACY POLICY. To view the SAFELINK WIRELESS Privacy Policy please refer to the SAFELINK WIRELESS website found at www.safelink.com.

23. LIMITED WARRANTY.

Your SafeLink phone is covered by a one year limited warranty, set forth below, administered by SafeLink. A reconditioned SafeLink phone also has a one year limited warranty provided by SafeLink and all SafeLink accessories have a 90-day limited warranty against defects in materials and workmanship under normal use by the purchaser. You may obtain warranty service directly from SafeLink.

How to obtain Warranty Service. To obtain warranty service from SafeLink on a new or reconditioned phone or SafeLink accessories, please contact Technical Support at 1-800-378-1684 from a landline or another phone in order to avoid using up your minutes. If your problem cannot be resolved over the phone, our SafeLink technicians will provide you with a Ticket Number, which you will use to send your phone and/or accessories to the designated SafeLink Service Center for repair or replacement, at SafeLink's discretion.

Terms of Limited Warranty. SafeLink warrants to you, the Customer, that your SafeLink cellular phone ("Product") is free from defects in material and workmanship that result in Product failure during normal usage, according to the following terms and conditions:

- (1) The limited warranty for the Product extends for one (1) year beginning on the first date of activation of your phone.
- (2) The limited warranty extends only to the original customer ("Consumer") of the Product.
- (3) The limited warranty is not assignable or transferable to any subsequent end-user.
- (4) During the limited warranty period, SafeLink will replace or repair, at SafeLink's sole option, any defective Products or parts (except as excluded below), or any Products or parts that will not properly operate for their intended use (except as excluded below) with new or refurbished replacement Products or parts if such replacement or repair is needed because of Product malfunction or failure during normal usage. SafeLink may, at its sole discretion, replace the Product with a refurbished phone of the same model if available, or if not available, of a comparable model of phone. The limited warranty does not cover loss of personal information, passwords, contacts, music, ringtones, pictures, videos, applications or other content, memory cards, software, defects in appearance, cosmetic, decorative or structural items, including framing, and any non-operative parts. SafeLink's limit of liability under this limited warranty is the actual cash value of the Product at the time the Consumer returns the Product to SafeLink for repair, determined by the price paid by the Consumer for the Product less a reasonable amount for usage. SafeLink shall not be liable for any other losses or damages. These remedies are the Consumer's exclusive remedies for breach of warranty.
- (5) The Consumer shall have no coverage or benefits under this limited warranty if any of the following conditions are applicable:
- a) The Product has been subjected to abnormal use, abnormal conditions, improper storage, exposure to moisture or dampness, unauthorized modifications, unauthorized connections, unauthorized repair, misuse, neglect, abuse, accident, alteration, improper installation, or other acts which are not the fault of SafeLink, including damage caused by shipping.
- b) The Product has been damaged from external causes such as collision with an object, or from fire, flooding, sand, dirt, windstorm, lightning, earthquake or damage from exposure to weather conditions, an Act of God, or battery leakage, theft, blown fuse, or improper use of any electrical source, damage caused by computer or internet viruses, bugs, worms, Trojan Horses, cancelbots or damage caused by the connection to other products not recommended for interconnection by SafeLink.
- c) SafeLink was not advised in writing by the Consumer of the alleged defect or malfunction of the Product within

fourteen (14) days after the expiration of the applicable limited warranty period.

- d) The Product serial number plate or the enhancement data code has been removed, defaced or altered.
- e) The defect or damage was caused by the defective function of the cellular system or by inadequate signal reception by the external antenna, or viruses or other software problems introduced into the Product.
- f) The Product is outside of the one (1) year Limited Warranty period.
- (6) SafeLink does not warrant uninterrupted or error-free operation of the Product or service. SafeLink cannot and does not guarantee that your communications will be private or secure; it is illegal for unauthorized people to intercept your communications, but such interceptions can occur.
- (7) If a problem develops during the limited warranty period, the Consumer shall contact SafeLink Customer Care for repair or replacement processing of the Product. SafeLink shall, at its discretion, provide a replacement product that may consist of a refurbished phone of the same model if available, or of a comparable model.
- (8) You (the Consumer) understand that the product may consist of refurbished equipment that contains used components, some of which have been reprocessed. The used components comply with Product performance and reliability specifications.
- (9) SAFELINK EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THE FOREGOING LIMITED WARRANTY IS THE CONSUMER'S SOLE AND EXCLUSIVE REMEDY AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. SAFELINK SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED BENEFITS OR PROFITS, LOSS OF SAVINGS OR REVENUE, LOSS OF DATA, PUNITIVE DAMAGES, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF ANY SUBSTITUTE EQUIPMENT OR FACILITIES, DOWNTIME, THE CLAIMS OF ANY THIRD PARTIES, INCLUDING CUSTOMERS, AND INJURY TO PROPERTY, RESULTING FROM THE PURCHASE OR USE OF THE PRODUCT OR ARISING FROM BREACH OF THE WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EVEN IF SAFELINK KNEW OF THE LIKELIHOOD OF SUCH DAMAGES. SAFELINK SHALL NOT BE LIABLE FOR DELAY IN RENDERING SERVICE UNDER THE LIMITED WARRANTY, LOSS OF USE DURING THE PERIOD THAT THE PRODUCT IS RETURNED FOR REPLACEMENT OR WARRANTY SERVICE OR FOR THE LOSS OR UNAUTHORIZED USE OF CUSTOMER PASSWORDS, PERSONAL INFORMATION, CONTACTS, PICTURES, VIDEOS, APPLICATIONS, MUSIC, RINGTONES OR OTHER CONTENT.
- (10) Some states do not allow the exclusion or limitation of incidental and consequential damages, so certain of the above limitations or exclusions may not apply to you (the Consumer). This limited warranty gives the Consumer specific legal rights and the Consumer may also have other rights which vary from state to state.
- (11) SafeLink neither assumes nor authorizes any authorized service center or any other person or entity to assume for it any other obligation or liability beyond that which is expressly provided for in this limited warranty including the provider or seller of any extended warranty or service agreement.
- (12) This is the entire warranty between SafeLink and the Consumer, and supersedes all prior and contemporaneous agreements or understandings, oral or written, relating to the Product, and no representation, promise or condition not contained herein shall modify these terms.
- (13) This limited warranty allocates the risk of failure of the Product between the Consumer and SafeLink. The allocation is recognized by the Consumer and is reflected in the purchase price.

Certain mobile phone features may not be available throughout the entire network or their functionality may be limited. All plan rates, features, functionality and other product specifications are subject to change without notice or obligation. Color of phones may vary. All talk and standby times are quoted in Digital Mode and are approximate.

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EXHIBIT 5